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United States  
Department of  
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Office of  
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# Major News Releases and Speeches

Oct. 15 - Oct. 22, 1982

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## IN THIS ISSUE:

### Speeches—

Remarks prepared for delivery by Assistant Secretary of Agriculture for Governmental and Public Affairs Wilmer D. Mizell before the U.S. Trout Farmers Association Conference, Dundee, Ill., Oct. 20, 1982

Remarks prepared for delivery by Secretary of Agriculture John R. Block before the State Agricultural Leaders, Portland, Ore., Oct. 20, 1982

### Testimony—

Statement by Deputy Secretary of Agriculture Richard E. Lyng at the World Food Day Program, U.S. Department of Agriculture, Oct. 15, 1982

### News Releases—

Cooked Corn Beef Recalled in New Jersey, Pennsylvania

Agricultural Leaders Urged to Ease World Food Needs Through Research

CCC Board of Directors Meeting Here Oct. 20

USDA Raises Rates for Pet Bird Quarantine

Four Louisiana Cattle Herds Slaughtered to Eliminate Tuberculosis

USDA Resolves Nine Animal Welfare Charges in Four-Month Period

USDA Proposes Changes in Grade Standards for Processing Potatoes

Bentley Sworn in as USDA Assistant Secretary for Science and Education

*IN THIS ISSUE:—Continued on next page*

PRODUCTION  
CURRENT SERIAL RECORDS

***IN THIS ISSUE: —Continued***

**News Releases—Continued**

USDA Training Agents to Give Farmers Better Crop Insurance Service

Block Announces New Blended Credit Program at Below-Market Rates

Interest Rates for USDA Farmer Home Loans Drop Again

USDA Insurance Coverage Changed for High Production Farmers

# Speeches

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245  
Remarks prepared for delivery by Assistant Secretary of Agriculture for Governmental and Public Affairs Wilmer D. Mizell before the U.S. Trout Farmers Association Conference, Dundee Ill., Oct. 20, 1982 [13],  
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I have learned a lot about your industry since I met your convention chairman, Del Miller, in September. I'm impressed.

When someone told me trout farmers sold over 48 million pounds of fish in 1980, all I could think of was those half-pounders I used to catch down at the creek when I was a boy. If I brought a dozen of those fish home on a string every day of the year, it would take me 20,000 years to catch up to one of your year's production.

That's a lot of trout dinners—and I love every one I can get in front of me.

Catfish farmers, they tell me, turn out nearly four times as many pounds of fish as you do, but you're trying to catch up. Just keep in mind that in baseball, Dizzy Trout had a better earned run average than Catfish Hunter.

Yet, despite all the tons of fish that you and the catfish producers turn out each year, we still seem to need more to satisfy America's growing appetite for fish and shellfish. This country imports more than half the fish and shellfish we consume each year. We import more than \$3.5 billion worth of fish and fish products every year and export only a half billion dollars' worth.

Your fellow citizens are eating fish like a stream trout feeding on Mayflies—a third more than they were in 1960. Personally, I ate more than my per capita allotment this year.

Yet while America's appetite for fish keeps growing, the experts tell us they can see the "bottom of the barrel" in the harvesting of fish from the oceans. What can be done about that. You know the answer better than I. Less than 8 percent of our seafood production for human consumption in the United States originates with aquaculture.

Fish farmers have an enormous opportunity to meet the growing demands of American appetites. "Domestic aquacultural production,"



said the 96th Congress, "has the potential for significant growth." So that Congress passed the milestone National Aquaculture Act of 1980.

In that law, the Congress emphasized that the future of aquaculture in the United States rested primarily in the hands of the private sector. At the same time, it said that government could help by:

- Declaring a national aquaculture policy;
- Establishing and implementing a national aquaculture development plan; and
- Encouraging aquaculture activities and programs in both the public and private sectors of the economy.

A "diffused legal jurisdiction," was one of the problems, the Congress said. For instance, it seems that one aquaculture enterprise in just one state would require 42 federal, state and local agency permits and licenses.

Fortunately, I am able to report that the federal government is getting organized to meet aquaculture's problems. A joint subcommittee on aquaculture that was mandated by the 96th Congress has been formed and operates very smoothly out of the White House. Twelve federal agencies are sitting down and trying to coordinate their efforts. At the same time, they are charged with drawing up a national aquaculture plan to guide government and the industry in the future. That plan is nearly complete.

Our aquaculture coordinator at USDA—Billie Hougart—is currently chairman of that committee. He assures me that the plan will stress the concept of government rather than interference and should help fish farmers meet their opportunities.

At the U.S. Department of Agriculture, Secretary Block soon will be naming an Aquaculture Advisory Board to help him pinpoint the current needs of the industry and to recommend research and extension priorities.

Frankly, I was surprised to learn that USDA spends \$6-1/2 million a year in support of aquaculture. That's not counting our recent purchases of catfish and the credit support we provided through Farmers Home Administration.

We believe we are carrying out the mandates of a concerned Congress as it directed in the Agriculture and Food Act of 1981, which did much to supplement the National Aquaculture Act of 1980.

The aquaculture act called for a national policy and development plan.

Last year's farm bill called for the U.S. Department of Agriculture to encourage each state to draw up its own aquaculture development plan. Up to \$50,000 would be made available on a matching basis to each state for drawing up such a plan.

The aquaculture act called for the encouragement of aquaculture activities and programs.

The farm bill called for the creation of up to four regional research, development and demonstration centers for aquaculture. They could be set up in existing state or land-grant university facilities.

Trout farming is probably the oldest segment of the aquaculture industry. Yet, in many respects, it is just in its infancy.

When I think of the potential for growth and profit in your industry, I am reminded of the revolution that has occurred in the rest of agriculture over the past few decades—a revolution based on scientific and technological breakthroughs, a revolution based on the rapid dissemination of that new knowledge to farmers, and finally, a revolution based on the willing adaptation of those new concepts by American farmers. Our agricultural production is the marvel—often envy—of the world.

There is no reason trout farming should not follow in the same progressive path. But we who are concerned need more facts. For instance, we want to know how to determine the sex of trout early in life. We want to know better how to control a whole line of inherited characteristics of trout in breeding programs. We want to know more precisely how much a trout's environment, its feed and its genetic inheritance affects its growth.

Since feed costs represent more than half the cost of production of trout, we need to know more about obtaining the least-cost, best quality feeding programs.

One of the most pressing needs of the trout industry is adequately trained personnel. We need to help the universities, colleges, and technical institutions train more people capable of earning a living in your promising industry.

About half the fish in hatching and rearing enterprises die. You are fighting disease and contamination constantly. The battle takes 10 cents



of every dollar you spend to raise trout. We need to find better ways to test new treatments and to find immunizing agents.

The trout industry needs to make greater marketing efforts. We don't even know who eats trout. How can you target information campaigns without knowing who your audience is?

Catfish farmers, I am told, collect \$300,00 a year to promote, market, and demonstrate the value of their product. Other farm groups do the same. Has the time arrived for trout farmers to try that?

Only you can answer that question. I know you will understand that I ask it only in the spirit of fellowship and good will. In the final analysis, you are the ones who must decide your future.

As a member of Congress for six years, however, and as a high-level member of the administration for another two years—and a few months—allow me just one small piece of advice before I leave your pleasant company. Get involved in the decision-making processes of government. Many Americans have learned to their regret over the years, unfortunately, that vigilance is truly the price of liberty.

Or, put another way, if "they" in the government aren't for you, you'd better make sure they aren't against you either.

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245  
Remarks prepared for delivery by Secretary of Agriculture John R. Block before the State Agricultural Leaders, Portland, Oregon, Oct. 20, 1982 [1-4].

I'm happy I was able to make it to Oregon, and to spend some time talking with all of you. You are a distinguished audience. You represent the leaders in the great agricultural system and I consider it an honor that you have invited me.

You did not become leaders by accident. It took a great amount of work for you. And even at that, it takes more than just hard work to establish leadership. In an industry such as agriculture, true leadership is seen in those people who have a sincere belief in the industry, in the free enterprise system and people who are willing to support it in good times and bad.



It is up to people like yourselves to look past the valleys, and to put the situation into perspective for those who depend on your leadership. This is especially important now, as agriculture fights to emerge from one of those valleys.

We've all seen agricultural outlooks. In fact, at times I think we have a greater surplus of outlooks than we have of wheat or dairy stocks. The point we have to remember is this. Outlooks are simply educated predictions based on the knowledge at hand. Outlooks in 1979 could not have predicted the severe drought of 1980, just as this year's harvest could not have been predicted seven months ago.

There are two other factors that these educated predictions do not take into account. First, they do not reflect the spirit that has always existed in agriculture to turn things around. And secondly, they do not reflect the hidden genius that always seems to come out in the American farmers when the going gets rough.

When I study an outlook report—especially one that may be negative—I see it as an indicator of what may happen if we sit back and do nothing. It all boils down to whether we want to view the current situation as a problem.

The agricultural leadership in Oregon has to be complimented for its aggressive attitude, and for its desire to be part of the overall recovery in this nation. You're doing your part. Now let me tell you what this administration is doing to create a climate for recovery in agriculture.

That's a distinction I want you to remember. Government is not responsible for creating recovery. We are only responsible for creating the climate for recovery. Long-term prosperity has to be created by people like you and others in agriculture. That's the only way it's going to happen.

Acreage reduction is one way in which farmers can play a strong role by using the tools given to them by this administration. As you know, I was disappointed in the overall compliance figures for this year's reduction program. I'm confident, however, that next year will be different. Farmers are going to participate. And it's not just because of the paid diversion feature.

I sincerely believe that farmers, who are optimistic by nature, didn't believe prices would stay down. Many didn't participate, and it was a

costly decision. But, I believe we'll see a higher participation this time—and higher market prices.

Another action that we have taken was to allocate an additional \$60 million for farm storage facility loans. That's \$60 million on top of the \$40 million that was already allocated. And I'm happy to say that the money is being used.

Another area in which we can keep cashflow money in farmers' pockets is through our Farmers Home Administration. We took some initiatives this past year to keep farmers from going out of business, and we want to continue this initiative during the coming year.

I've already met with the American Bankers Association, the Independent Bankers Association of America and the Farm Credit System. We had only one topic. To build on last year's successful efforts so that we can meet the credit needs of 1983. And I have also directed every Farmers Home county supervisor to meet personally with local bankers and other private lenders to discuss credit needs and work out local solutions.

Another answer to the current situation in agriculture is to expand international trade so that we can rid ourselves of these surpluses. We've made some good progress in re-establishing ourselves as a reliable supplier to the Soviet Union. We came close to selling a record amount to them last year and I believe we'll see even more sales during the current year.

I'm certain you're all aware of the extra steps President Reagan has taken to further establish our reliability. In short, the president directed that we make 15 million metric tons available to the Soviet Union—15 million above the 8 million called for in our current agreement—and we'll be doing that next week when we meet with the Soviets in Vienna for consultations.

But the president also took another step. He directed that the same assurances of reliable delivery that apply to the 8 million metric tons will go with the additional 15 million. The qualifications are that the Soviets would have to contract for the grain by the end of November and have it shipped within 180 days.

The Soviets can handle that amount of grain, and in that time span. They need the grain, and we need the sales now. The president's offer is solid, it's workable and it offers something for all parties involved.



Of course, re-establishing our reliability is only one of the problems we have faced in the world market. Another problem is in countering unfair trade practices on the part of other nations and gaining access to new markets.

The European Community, for example, is threatening to take larger portions of our markets and they're doing it through export subsidies. In 1980, they had a subsidy budget of \$7.6 billion. That kind of money is hard to fight. What we cannot tolerate is when the EC shows signs of institutionalizing this practice—when they treat subsidies as concrete policies. I'll tell you this. We're not going to tolerate it.

I can understand a country trying to rid itself of one commodity at a certain point in time, perhaps by putting it on the market at subsidized prices. It would be understandable, providing that the country was showing attempts to correct its situation, such as we are working to correct our dairy surplus situation.

And talking about dairy, I realize that dairy products are among the top three commodities in Oregon agriculture. So, I know you're all aware of how we've been trying to ease the burden of our surplus stocks—through donation programs both domestic and, most recently, abroad. This will help, but we all know that it's not the answer. The real answer is to take in less new stocks. That means we have to cut production.

As you know, USDA will be implementing the congressional plan to assess milk producers 50 cents per hundredweight, beginning Dec. 1. While I would have preferred a different approach to the problem, this is the plan that Congress approved and it's my responsibility to administer it. And let me tell you, there's no one who would like to see it succeed more than I would. I know that those of you who are involved in the dairy industry feel the same way about it. The fact that we have to face is that the future of the dairy industry may depend on its success.

This administration, right up to the president, recognizes the contributions that agriculture has made to our economy. And this administration believes in the potential that agriculture has for making even greater contributions. This administration wants to work on those opportunities in a cooperative effort. I look to you—the leaders in the industry—to encourage that cooperative spirit.

I believe that we have teamwork going for us in this country—in agriculture as well as in the entire economy. We have a government that is willing to clear the road and we have people like yourselves who are willing to travel that road.

We've seen inflation cut more than half, and we've seen interest rates continue to slide downward. We've seen the growth in federal spending sliced, and we've seen a 15 percent cut in income taxes. We have 20 percent fewer new regulations and the Gross National Product has been up over the last six months.

Common sense tells us that we can't stop now. We can't throw away all that we have achieved in just one fiscal year under the recovery program. As President Reagan has said repeatedly, the last major indicator to tackle is unemployment. It's called the lagging indicator because it couldn't improve until inflation and interest rates came down.

It all tells me that we're on the road to recovery. We know there will be some bumps along that road yet to come, but common sense tells us that we're headed in the right direction. I sincerely hope that you will help us stay on the course.

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# Testimony

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245  
Statement by Deputy Secretary of Agriculture Richard E. Lyng at the World Food Day Program, U.S. Department of Agriculture, Oct. 15, 1982 1-2 *ver*

I am happy to have this opportunity to talk to you on the occasion of World Food Day. Both Secretary Block and I have a deep personal as well as professional commitment to solving world food problems. Today it is important that we consider what has been done to eliminate poverty-related hunger and malnutrition, and what remains to be accomplished.

The United States has been particularly responsive to the basic need of people to be free from hunger and the fear of being hungry. Our domestic programs serve millions of people, cost billions of dollars and affect most families in the United States. Today, the federal government subsidizes 99 million meals per day. The total dollar figure for these activities in fiscal year 1982 was \$16 billion.

These programs began in 1969 when President Nixon called for an all-out effort to end poverty-caused hunger and malnutrition in the United States. I was assistant secretary of marketing and consumer activities in the U.S. Department of Agriculture at that time, and I am proud to have played a role in the development of that all-out effort.

Today, every American has a right to be proud of the fact that in the United States we have eliminated poverty-caused hunger and malnutrition. Furthermore, we should be proud that the United States has taken a lead role in the crusade to upgrade the diets of millions of people throughout the world.

Since 1954 when the Food for Peace program was enacted into law under President Eisenhower, this country has made available to the poor nations hundreds of millions of tons of food valued at more than \$40 billion. Under the world food program in conjunction with the Agency for International Development, plans are presently being made for the United States to contribute \$250 million in grains, dairy products, and the funds needed to transport those commodities.

However, food contributions alone cannot solve the problems of world hunger. The most important element in achieving world food security is increased food production in the developing countries where the shortages are so critical. To assist in meeting that goal, the United States has provided thousands of technical experts and scientists for agricultural projects in Africa, Asia, Latin America and the Middle East. The U.S. Department of Agriculture, together with the Agency for International Development, has arranged and supervised training programs for more than 70,000 agriculturalists from developing countries since 1960.

In addition to helping increase food production in those areas where it is needed most, the United States is aggressively pursuing international trade policies which will serve long-term interests of all nations—developed and developing.

As we observe this second World Food Day we acknowledge the interdependence of nations. Through the exchange of information and free trade, nations can overcome deficiencies and share their abundance with one another—whether that be food, natural resources or technology. The United States is committed to this principle of sharing and will do everything possible to make it universal.

Thank you.

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# News Releases

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## **COOKED CORN BEEF RECALLED IN NEW JERSEY, PENNSYLVANIA**

WASHINGTON, Oct. 15—The U.S. Department of Agriculture today announced the recall of cooked corn beef from delicatessens, supermarket "deli" counters, and similar retail outlets in Pennsylvania and New Jersey because of the possible presence of salmonella, a food poisoning organism.

"No cases of illness from eating corned beef have been reported," said Merlin A. Nelson, acting administrator of USDA's Food Safety and Inspection Service. "This precautionary recall was initiated because about 45,000 pounds of potentially contaminated product have been distributed by Vee Cee Provisions, Inc., Philadelphia. All of the product produced since Aug. 10 is being recalled.

The salmonella was discovered when USDA tested samples of cooked corn beef taken during a routine inspection at the company. Since then, one additional sample collected from a retailer in Pennsauken, N.J., also was found to be positive for salmonella. Fourteen other tested samples taken at the plant and at retail outlets were negative.

Consumers who believe they may have purchased some of the cooked corn beef should contact the establishment where it was bought and determine whether it was produced by Vee Cee Provisions, Nelson said. It normally is sold to consumers as a sliced product.

"The firm has been cooperative throughout our investigation," Nelson said. "Vee Cee is notifying its distributors to return the suspect corned beef, which can be reprocessed to destroy the salmonella organisms and make the meat safe to eat."

All current production at the plant is being held and tested for salmonella before being released for distribution, Nelson said.

Salmonella is a food poisoning organism which causes diarrhea, abdominal cramps, nausea and fever. It usually starts about 12-36 hours after eating the contaminated product and last from two to seven days.

Dr. Nelson's home telephone is (301) 567-3825.

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245  
**AGRICULTURAL LEADERS URGED TO EASE WORLD  
FOOD NEEDS THROUGH RESEARCH [ ]**

WASHINGTON, Oct. 15—Agricultural leaders around the world today were urged to step up the exchange and use of research and technology to meet world food needs in the future.

"Agricultural technology and research advances now are available to give countries new footholds toward eliminating much of the world's hunger, malnutrition and starvation," said Terry B. Kinney, Jr., administrator of the U.S. Department of Agriculture's Agricultural Research Service.

Kinney said American agriculture "needs to expand its effort to help nations obtain and apply what we know about food production, protection, storage and distribution."

He made the statement in observance of World Food Day (Oct. 16).

"Our agricultural system is brimming with techniques to increase crop production efficiencies, reduce crop and animal losses and improve the quality of food staples and diets worldwide," said Kinney. "Many additional techniques are coming on line from our research laboratories across the nation and internationally."

World Food Day will be observed by the United States and many other nations of the United Nations Food and Agricultural Organization.

Observances in this country, Kinney said, stress the contributions American agriculture has made to developing nations, for which the U.S. is the prime supplier of food and agricultural assistance. He said agricultural research helps bolster one-third of the world's population dependent on grains as nutrition staples.

Protecting soil and water resources, Kinney said, is one of the severest challenges facing agricultural leaders and farmers in this country and overseas if world food demands are to be met in the long run.

Adequate crop supplies, such as grains, over the long run can help take the pressure off soil erosion losses. As an example, said Kinney, if



grain yields can be increased on lands that are not subject to erosion, "we may be able to take the more erodible lands out of grain production and put them in grass and legumes to better manage our soil and water resources."

At the same time, there is concern about improving the resistance of grain varieties to disease, drought and other environmental stresses. This is a worldwide problem, Kinney said, that led to a worldwide exchange of information—an international network for evaluating wheat in Lincoln, Neb.

"As world demands for food continue to rise," Kinney said, "it becomes more apparent that we must expand our efforts to transfer agricultural technology to the developing world." Agricultural researchers, he said, already have many inroads over the years in international food assistance and exchange programs.

Working with development agencies such as the Agency for International Development and the World Bank and other USDA agencies, Agricultural Research Service scientists are providing on-the-spot technical assistance to more than 50 nations in Asia, Africa and Latin America.

In other programs, such as the foreign research associate visiting scientist program, scientists from other nations work and study in Agricultural Research Service facilities throughout the country.

Among the agricultural research helping nations increase their agricultural productivity, Kinney said, is work in such areas as high-protein grains, new foods plant breeding and genetic engineering.

Current developments and studies by USDA's Agricultural Research Service include:

- New experimental winter wheat strains that improve protein content and disease resistance.

- A new rice line that is 42 percent higher in protein than the original line.

- A safe technique for freezing and thawing chicken semen. This opens the way for establishing world-wide frozen sperm banks to produce genetically superior birds and increase the ability of developing countries to breed chickens as a fresh meat source.

— Detection of insect pests in stored food and grain by measuring how much carbon dioxide they exhale. This could enhance the export market world-wide use for quality-protected food and grain.

— Use of genetic engineering to produce a vaccine for foot-and-mouth disease, one of the world's most serious animal diseases.

— A technique for protein improvement in grain legumes, which are basic crops in Asia and an important item of world commerce.

— Experiments in improving rice germplasm for tolerance to tropical environmental stress, particularly temperature extremes.

— Use of amaranth, egusi, and leaf tobacco as high protein foods. Amaranth, an 8,000 year-old crop and a staple of ancient Mayans and Aztecs, has a better balance of amino acids than corn, wheat or rice. Egusi, a Nigerian seed from an inedible melon-type fruit, contains 60 percent protein when defatted and is high in calcium and niacin. Leaf tobacco can be processed to resemble soybean curd that has a nutritional value comparable to milk.

— Identification of disease resistant strains in papayas, which are higher in Vitamin C than citrus and are a staple of the tropics.

— New use of okra as a substitute for coffee, cheese and margarine and as a vegetable source of vitamins A and C, protein, calcium, and iron. Okra has potential as a hot weather crop in the temperate zones and tropics.

— Improved control of cattle fever as a result of identification of two tick species that cause disease on every continent.

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## **CCC BOARD OF DIRECTORS MEETING HERE OCT. 20**

WASHINGTON, Oct. 18—The Commodity Credit Corporation board of directors will meet here at 9:30 a.m. Oct. 20 in room 104-A of the U.S. Department of Agriculture's administration building to discuss a number of items relating to USDA's programs and operations.

Everett Rank, corporation executive vice president, said the following items will be discussed in the open portion of the meeting:



- status report on emergency grain storage.
  - extended storage of grain.
  - an update of Commodity Credit Corporation owned inventory.
  - alcohol demonstration project report.
  - milk price support program 1982-83 through 1984-85 marketing years.
  - repurchase offer for CCC guarantees on export credit sales to Sudan.
  - repurchase offer for CCC guarantees on export credit sales to Romania.
  - Section 416 - foreign donations
  - operating procedure relative to milk marketing deduction.
- Rank said the board, in closed session, will discuss commodities available for Public Law 480 during fiscal year 1983.
- Further information is available from Edward D. Hews, secretary, Commodity Credit Corporation. Telephone (202) 447-7583.

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## **USDA RAISES RATES FOR PET BIRD QUARANTINE**

WASHINGTON, Oct. 19—The quarantine costs for importing a personally owned pet bird will increase from \$80 to \$100 on Jan. 1, a U.S. Department of Agriculture veterinary official said today.

The cost for handling two or more birds in a single isolation cage during quarantine will rise from \$100 to \$125.

According to John K. Atwell, deputy administrator of USDA's Animal and Plant Health Inspection Service, the increases are necessary to recover quarantine costs. Bird imports are quarantined to prevent the entry of exotic Newcastle disease, which can be very costly if it becomes established in poultry flocks.

Atwell said the cost for handling one bird will be raised from \$80 to \$100. For two or more birds held in a single isolation cage during quarantine, the cost will rise from \$100 to \$125.

Personally owned birds may enter the United States through eight ports of entry with special facilities—New York, N.Y.; Miami, Fla.;

Laredo and El Paso, Texas; Nogales, Ariz.; San Ysidro and Los Angeles, Calif.; and Honolulu, Hawaii.

Pet birds are quarantined for 30 days in special isolation units—isolettes. These units permit the birds to be handled on an individual basis, without exposing other birds in the quarantine station to disease.

A bird purchased in the United States and taken out of the country may reenter without quarantine if the owner can prove the bird's health status with a health certificate from a U.S. veterinarian issued before leaving the United States. In addition, the bird must be identified by leg band or tattoo with the identification number recorded on the health certificate.

Pet birds from Canada are not quarantined because Canada's animal disease control and eradication programs and import rules are similar to those of the United States.

Bird imports are subject to quarantine and testing to prevent the entry of exotic Newcastle disease. This disease, which is found in many countries, can be carried and spread by all species of birds, even though some birds may show no signs of illness. Exotic Newcastle, known technically as viscerotropic, velogenic Newcastle disease, has disastrous consequences when introduced into poultry flocks.

The worst outbreak in the United States occurred in southern California in the early 1970's and caused the death or destruction of more than 12 million birds, mostly laying hens, before the disease was eradicated at a cost of \$56 million.

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## **245 FOUR LOUISIANA CATTLE HERDS SLAUGHTERED TO ELIMINATE TUBERCULOSIS [ ]**

WASHINGTON, Oct. 19—Some 2,100 cattle in four multiple-ownership herds in Cameron Parish, La., have been slaughtered under supervision of state and U.S. Department of Agriculture veterinarians to eliminate recurring infections of bovine tuberculosis.

Dr. Robert D. Whiting, veterinarian in charge of operations in Louisiana for USDA's Animal and Plant Health Inspection Service, said



two other herds are being held under quarantine for continued testing and removal of infected animals.

"Cameron Parish has had a long history of tuberculosis infection in its cattle herds," Whiting said. "TB has been particularly difficult to eradicate because of the practice of grazing cattle owned by many persons on common winter pastures.

"The frequent intermingling of cattle and the difficulty of testing all animals in a pasture area has helped to perpetuate the disease," he said.

Whiting said the slaughter of these herds, for which owners are paid federal indemnities, will eliminate the threat of spreading bovine tuberculosis. He said spread could occur if all animals in a herd were not destroyed because a small percent of infected animals may not react to the tuberculin test and thus serve as a source of reinfection.

According to Whiting, two of the four slaughtered herds had confirmed cases of bovine tuberculosis; the others were considered exposed because of the intermingling of cattle among the herds.

Two additional herds—one with confirmed infection and the other exposed—were eligible to have been slaughtered with indemnities. However, the owners have elected to undergo the quarantine and testing procedure to eliminate tuberculosis.

The quarantined herds will be tested at 60-day intervals. Any positive reactors will be destroyed after each test, Whiting said. If a herd is found clean on two tests 60 days apart, and again six months later, it is released from quarantine. Such herds are then tested annually by USDA veterinarians for five additional years.

Under the cooperative state-federal tuberculosis eradication program, a total of seven infected and four exposed herds were found nationwide during the fiscal year ending Sept. 30. Five infected and three exposed herds were destroyed. In addition to the two quarantined herds in Louisiana, another herd in California is under quarantine because of bovine tuberculosis.

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## **USDA RESOLVES NINE ANIMAL WELFARE CHARGES IN FOUR-MONTH PERIOD**

WASHINGTON, Oct. 19—Nine charges of violating the Animal Welfare Act were resolved in the past four months and 12 new charges of violating the act were filed during the same June-September period, according to John K. Atwell, deputy administrator for the U.S. Department of Agriculture's Animal and Plant Health Inspection Service.

"To ensure compliance with the act, USDA personnel make periodic unannounced inspections," Atwell said. "If violations are identified, the responsible person can be prosecuted under administrative law. However, if a USDA inspector finds deficiencies, the licensee first is given sufficient time to correct the problem.

"Our main objective is not to mete out punishment, but to make sure animals receive the proper shelter, transportation, feeding and sanitation that add up to good animal care."

The nine resolved cases were settled as follows:

- An animal dealership in Kansas agreed to a \$100 fine and 30-day suspension of its USDA license. The suspension remains in effect until the kennels are in full compliance with animal care standards.

- A city-owned zoo in Texas agreed to pay a \$100 fine and accept a permanent injunction against future violations. The city agreed to appropriate additional funds for the zoo and provide needed training for animal caretakers.

- The owner of a private zoo in Ohio paid a USDA fine and agreed to issuance of a cease-and-desist order against future violations. He also agreed to promptly build a perimeter fence for the zoo and to transport and exhibit animals in ways that minimize risk of harm to the public.

- A nationwide air line company settled a charge brought after a dog carried by the company died in transit. The company paid a \$2,000 fine and agreed to comply with the regulations and standards of the act when handling live animals in the future.

- A dog dealer in Wisconsin agreed to surrender the dealership's USDA license and accepted a cease-and-desist order against future violations.



- A guinea pig dealer in Wisconsin consented to issuance of a cease-and-desist order against future violations.
- An animal dealer in Missouri agreed to a 60-day suspension of his dealer's license, with the license to remain suspended until his kennels meet the minimum standards required under the act. He also accepted a cease-and-desist order.
- A Texas-based animal trainer paid \$1,000 and agreed to a 90-day suspension of his exhibitor's license, with the license suspension to remain in effect until he is in full compliance. He also accepted a cease-and-desist order.
- A California research institution agreed to a cease and desist order against filing a late annual report on the use of animals in research.

"All had been informed of the registration and licensing requirements of the Animal Welfare Act," Atwell said. "These rules must be followed by those who handle animals produced commercially for the pet trade and by those who use them for research or exhibition to improve care and treatment of animals."

Standards under the act cover housing, sanitation, shelter, ventilation, feeding, watering, veterinary care, handling, transportation and separation of incompatible animals.

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## **USDA PROPOSES CHANGES IN GRADE STANDARDS FOR PROCESSING POTATOES**

WASHINGTON, Oct. 19—The U.S. Department of Agriculture today proposed changes in the U.S. grade standards for potatoes for processing to make the standards more useful to the potato industry in buying and selling the product.

The potato industry and public may comment on the proposal until Dec. 20.

Charles Brader, a marketing official with USDA's Agricultural Marketing Service, said the current grade standards have been in effect since July 1963. The Potato Growers of Idaho, Inc., Idaho Association of Commerce and Industry and Ore-Ida, a multi-state processor, asked

USDA to make the changes to reflect current cultural practices and processing methods.

The proposed standards affect requirements for trimming and definitions for damage and serious damage. Tests for specific gravity and fry color would become optional procedures under the proposal.

Brader said 16 billion pounds of potatoes were processed last year. Of this, more than 10 billion pounds were graded under the federal-state inspection program operated jointly by the Agricultural Marketing Service and cooperating state agencies. U.S. grade standards are used as a basis for determining quality and size of the product.

The proposal is scheduled to be published in the Oct. 19 Federal Register, available at many public libraries. Written comments should be sent in duplicate to the Hearing Clerk, rm. 1077-S, USDA, Washington, D.C. 20250.

The Agricultural Marketing Service establishes grade standards and provides official grading for many food products. Use of the grading service is voluntary and paid for by the user.

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245  
**BENTLEY SWORN IN AS USDA ASSISTANT  
SECRETARY FOR SCIENCE AND EDUCATION [ ]**

WASHINGTON, Oct. 19 - [Orville G. Bentley, dean of the College of Agriculture at the University of Illinois since 1965] was sworn in today as assistant secretary of agriculture for science and education.

Secretary of Agriculture John R. Block administered the oath.

Bentley, a native of South Dakota, has been active in national agricultural affairs for many years. He was a presidential appointee to the Board for International Food and Agricultural Development, the Agency for International Development, Department of State.

Before joining the University of Illinois at Urbana-Champaign, Bentley was dean of the College of Agriculture and Biological Sciences and director of the Agricultural Experiment Station at South Dakota State University, Brookings.



Bentley earned his bachelor of science degree from South Dakota State College in 1942 and his master of science and doctoral degrees from the University of Wisconsin in 1947 and 1950, respectively.

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245 [1]  
**USDA TRAINING AGENTS TO GIVE FARMERS BETTER CROP INSURANCE SERVICE [2].**

WASHINGTON, Oct. 20—To upgrade its crop insurance service, the U.S. Department of Agriculture's Federal Crop Insurance Corporation is providing special training to [private insurance] agents. ✓

Beginning with 1983 spring crops, the agency is requiring all federal crop insurance agents to be certified "in an effort to increase program credibility and improve the quality of service provided to farmers," said Merritt Sprague, manager of the USDA crop insurance agency.

More than 15,000 professional insurance agents now sell and service federal crop insurance throughout the country.

"We see the development of a well-trained agent sales force as a positive answer to critical areas of concern voiced by members of the agricultural community," Sprague said. "The certification of agents serves to protect farmer interests in crop insurance as well as to increase their confidence in the agents and the program."

Sprague said he is pleased with the early response of insurance agents to the training. More than 700 private insurance agents already have participated in the program, which will continue through Dec. 18 at 157 locations around the country.

Each training course consists of a three-day intensive study program. Topics include general crop insurance principles, actuarial development, individual crop programs and proper completion and handling of crop insurance documents. Recent contract improvements and procedural changes made by the corporation also will be covered.

Agents must successfully complete examinations to receive certification, Sprague said.

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245- [17]  
**BLOCK/ANNOUNCES NEW BLENDED CREDIT PROGRAM AT BELOW-MARKET RATES [2].**

CHAPIN, Ill., Oct. 20<sup>11</sup>—[Secretary of Agriculture John R. Block] <sup>12</sup> today announced a three-year \$1.5 billion "blended credit" program [to expand exports of U.S. agricultural products].

Block said interest-free direct government export credits will be blended with government guaranteed private credits to produce a lower interest rate. The new export credits will be offered principally to developing countries, with terms up to three years.

The program will expand U.S. agricultural exports to help relieve price pressures caused by surplus supplies, he said.

"It's a package sales program that will complement our other domestic and foreign efforts to improve farm income," he said.

"These reduced interest rates and liberal terms are needed to help countries increase their imports of U.S. agricultural products in cases where imports are limited by lack of favorable credit terms," he said. "We believe there are a number of countries where the additional demand is clearly there, provided favorable financing can be made available."

Block said the credit program will be directed toward long-term market growth as well as immediate export gains.

The first \$500 million of the \$1.5 billion program will be made available in fiscal year 1983. The reduced interest rates will be achieved by blending \$100 million of interest-free direct government credits, using the Commodity Credit Corporation GSM-5 direct credit authority, with about \$400 million of the GSM-102 credit guarantee program.

The \$100 million in direct credits is part of the \$175 million authorized by Congress in the Helms amendment to the Omnibus Budget Reconciliation Act of 1982 for export expansion. The remaining \$75 million will be held in reserve for use later in the fiscal year.

Block said funds made available through the new U.S. program will be allocated to specific transactions based on proposals submitted to USDA by foreign governments, or the private trade, or directed to USDA through U.S. embassies overseas or foreign embassies in Washington.

Proposals may be submitted immediately to USDA's Foreign Agricultural Service.



Personnel of the Foreign Agricultural Service are ready to go to foreign countries if necessary to review proposals or assist in their preparation, he said. The goal is to be ready to act on proposals within a week.

"The program will be used in those markets where we are assured of the greatest return," Block said. "We also will pay special attention to the opportunity to achieve long-term sales gains in the markets that we select. Long-term expansion in agricultural trade under normal commercial terms is a primary goal of this administration."

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## **INTEREST RATES FOR USDA FARMERS HOME LOANS DROP AGAIN**

CHAPIN, Ill., Oct. 20—Interest rates for loan programs of the U.S. Department of Agriculture's Farmers Home Administration, which were lowered last month, will drop again effective Nov. 1, Secretary of Agriculture John R. Block announced today.

Block said the additional reductions, which are as much as two percentage points for some loans, are possible because of the general move toward lower interest rates across all sectors of the economy.

"Lower interest rates for Farmers Home loan programs will be of great benefit to the entire rural economy and particularly for the nation's farmers who depend on credit so heavily," he said.

In the farmer programs, the interest rates for farm operating loans will go from the present 13.25 percent down to 11.5 percent. Farm ownership loans will be reduced from the present 13 percent to 11.5 percent. Interest rates for limited resource farm operating loans will be lowered from 10.25 percent to 8.5 percent and limited resource farm ownership loans drop from 6.5 percent to 5.75 percent.

Some loans to help farmers recover from natural disasters will have a lower interest rate. The rates for production loans to farmers who need financing above the actual loss but who cannot get credit elsewhere will be lowered from 15.5 percent to 14 percent. For those who can get these natural disaster loans elsewhere but choose to deal with Farmers Home, the rate will go from 16.25 percent to 14.25



percent. The rate for actual loss loans remains at 8 percent. The rates for economic emergency loans will also be reduced. Economic emergency production loan rates will be reduced from 13.25 percent to 11.5 percent and economic emergency real estate loans go from 13 percent down to 11.5 percent.

Interest rates for single family housing loans will drop from 13.125 percent to 11.5 percent except for those who can afford the rates charged by the Department of Housing and Urban Development. Their rates will drop a full point from 13.5 percent to 12.5 percent.

Loans for multi-family housing will be reduced from 13.125 percent to 11.5 percent.

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## **USDA INSURANCE COVERAGE CHANGED FOR HIGH PRODUCTION FARMERS**

WASHINGTON, Oct. 22—High production farmers will be able to get higher crop insurance coverage next spring without paying increased premium costs to the U.S. Department of Agriculture's Federal Crop Insurance Corporation.

Merritt Sprague, manager of the USDA corporation, said today the higher coverage will be available to farmers who plant corn, cotton, grain sorghum, rice, soybeans, wheat and barley in the spring of 1983 under changes in the corporation's individual yield coverage plan.

Sprague said the 1982 plan required farmers to provide satisfactory acreage and production records for at least the most recent three years a crop was grown out of a 10-year period. Area-average yields were used for years for which the farmer had no records.

Under the new plan for 1983 spring-planted crops, he said, the producer's records will continue to be used in the same manner except that coverage is based on a revised yield formula.

That formula: Production records for at least the most recent 3 years are compared with county yield averages to arrive at a producer yield index. This index then is applied to the county yield average as computed by the USDA's Statistical Reporting Service for those years of the 10-year base period for which the farmer has inadequate records.

"We believe this approach will better reflect the risks taken by top producers," Sprague said. "Farmers will be able to qualify for higher production guarantees without increasing their per acre insurance cost. This plan will make crop insurance a more attractive component in a farmer's risk management plan."

Sprague said the USDA corporation has devised an additional plan on grain sorghum, corn and small grains to provide increased coverage to farmers who feed their crop production to livestock or poultry and who don't have the records to qualify for the individual yield coverage plan.

This modified individual yield plan requires actual records for only one year plus records for two years which may be certified by the USDA's Agricultural Stabilization and Conservation Service. The USDA-certified records are based on the best available information.

Consideration will be given to the producer's livestock enterprises, feeding records, fertilization program, soil and water conservation practices and other management practices. The remaining years of the 10-year base period will be calculated by adjusting the county average as computed by the Statistical Reporting Service.

The individual certified yield plan becomes effective with the 1983 crop year. Those producers who acquire acceptable yield records for three years will become eligible for the individual yield coverage plan.

Under the individual certified yield plan, higher coverages require additional premium per acre; under the individual yield coverage plan, they do not.

For both plans, the Federal Crop Insurance Corporation will assist in maintaining the records at no charge to the producer. Agricultural Stabilization and Conservation Service offices will provide the appropriate forms and assist farmers in establishing yield data.

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